



COUNTY OF LOS ANGELES  
**Public Health**

**JONATHAN E. FIELDING, M.D., M.P.H.**  
Director and Health Officer

**JONATHAN E. FREEDMAN**  
Chief Deputy Director

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December 28, 2011

TO: Each Supervisor

FROM: Jonathan E. Fielding, M.D., M.P.H.  
Director and Health Officer

SUBJECT: **NOTIFICATION OF THE USE OF DELEGATED AUTHORITY TO AMEND CONTRACT NUMBER PH-000470 WITH PRIDE HEALTH SERVICES, INC. FOR THE PROVISION OF DRUG/MEDI-CAL SERVICES**

This is to notify you that I am exercising the delegated authority approved by your Board on June 10, 2008, to increase or decrease contract obligations for all Drug/Medi-Cal (DMC) agreements, following notification to County Counsel, the Chief Executive Office, and your Board.

Pursuant to the federal ruling of Sobky v. Smoley, counties are required to enter into agreements with all State-certified DMC service providers who request service contracts. Moreover, when these agencies request additional funds necessary to provide services to persons eligible for DMC program services, counties are required to amend the DMC agreements to reflect the additional services and funding. Under this federal ruling, counties have no basis to deny reimbursement for services if the contractor is in full compliance with contractual requirements.

Under the delegated authority referenced above, I will execute an amendment to the DMC Agreement Number PH-000470 with Pride Health Services, Inc. (PHS) to increase the funding by: 1) \$45,237, increasing the annual obligation from \$856,554 to \$901,791, for the term of July 1, 2009 through June 30, 2010; and 2) \$185,809, increasing the annual obligation from \$856,554 to \$1,042,363, for the term of July 1, 2010 through June 30, 2011 to provide Day Care Habilitative Services, Outpatient Drug Free Services, and Perinatal Day Care Habilitative Services; 100 percent offset by federal and State funds.

On June 7, 2011, your Board approved the renewal of this agreement with PHS for an additional three years, effective July 1, 2011 through June 30, 2014.

County Counsel has reviewed and approved the amendment as to form and this delegated authority action.

If you have any questions or need additional information, please let me know.

JEF: jlm  
#02054

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors